

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286**

Minutes of Board of Directors Meeting  
September 11, 2017

**ACTIONS TAKEN**

---

1. The Board approved the minutes of the August 7, 2017, meeting.
  2. The Board approved the Agreement for Recycle and Solid Waste Collection and Disposal Services Servicing HC MUD 286 with Residential Recycling & Refuse of Texas.
  3. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
  4. The Board approved the rental of a temporary generator for the Wastewater Treatment Plant.
  5. The Board approved a quote for storage tank and gas stripper ladder security hatches at the Water Plant presented by EDP.
  6. The Board approved a quote for additional staircases and rails for safety at the Wastewater Treatment Plant presented by EDP.
  7. The Board approved the Operations and Maintenance Report presented by EDP.
  8. The Board approved Pay Application No. 2 and Final from T Construction, LLC in the amount of \$10,102.24.
  9. The Board approved the installation of warning signs on trails damaged during the storm.
  10. The Board approved a quote for park and trail repairs from Brian Gardens relative to the damage caused by flooding.
  11. The Board approved not to hold the Water Conservation Meeting this year due to the flood damage to the park.
  12. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  13. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  14. The Board approved the proposed Operating Budget for the fiscal year ending in 2018 as presented by Claudia Redden & Associates, L.L.C.
-

The Board of Harris County Municipal Utility District No. 286 ("District") met in regular session at 7979 Willow Chase Blvd., Houston, Harris County, Texas 77070 on September 11, 2017, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

David Geaslen, President  
Michael Rhodes, Vice President  
Steve Garner, Secretary  
Rosalind Theriot, Assistant Secretary  
Becky Campbell, Assistant Secretary

All of said persons were present, therefore constituting a quorum.

Also present were Deputy Singh of the Harris County Constable's Office, Precinct No. 4; Claudia Redden of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Eric Thiry and Jeff Cotton of Environmental Development Partners, L.L.C. ("EDP"); Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); and Kara Richardson of Marks Richardson PC ("MRPC").

#### **APPROVAL OF MINUTES**

As the first order of business, the Board considered approval of the minutes of the Board of Directors meeting held on August 7, 2017. After discussion, Director Theriot made a motion to approve the minutes of the August 7, 2017, Board of Directors meeting, as written. Director Rhodes seconded the motion, which carried unanimously.

#### **SECURITY PATROL REPORT BY THE CONSTABLE'S OFFICE**

The Board next considered the Security Patrol Report (**Exhibit A**). Deputy Singh reviewed the report and stated that there was a high call volume within the last month mostly due to high water rescues from the flooding. She stated that the constables are patrolling and making certain that looters are not stealing from uninhabited homes which flooded. Deputy Singh stated that there have been issues with temporary contractors who are working on homes within the District and taking items from other residents' front yards.

#### **SECURITY MONITORING SERVICES**

The Board next considered the status of security monitoring services. Mr. Eby stated that most of the cameras are not currently working due to the flooding but that he would coordinate having the cameras repaired.

#### **APPROVE AGREEMENT WITH RESIDENTIAL RECYCLING & REFUSE OF TEXAS FOR SOLID WASTE COLLECTION AND RECYLING SERVICES**

The Board next considered the approval of an agreement with Residential Recycling & Refuse of Texas ("RRRT") for solid waste collection and recycling services. Ms. Richardson presented an executed TEC Form 1295 in connection with the proposed agreement from RRRT. After discussion, Director Theriot made a motion to approve the agreement for Recycle and Solid Waste Collection

and Disposal Services with RRRT. Director Campbell seconded the motion, which carried unanimously.

### **STATUS OF TRANSITION OF GARBAGE COLLECTION SERVICES**

The Board next considered the status of transition of garbage collection services from Waste Management (“WM”) to RRRT. The Board next asked about the procedures for picking up the WM recycling bins. Ms. Richardson stated that typically the new hauler removes existing bins and disposes of them with the permission of the previous hauler. The Board concurred to invite Mr. Curtis Brown of RRRT to attend next month’s meeting to discuss the transition.

### **DEVELOPERS' REPORTS**

The Board next deferred considering the status of development in the District, noting that no developer representatives were present.

### **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Mr. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit B**) dated August 31, 2017. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Rhodes made a motion to approve the Tax Assessor-Collector Report as presented, to approve the checks identified in the report for payment, and to authorize moving the subject delinquent accounts to collections. Director Theriot seconded the motion, which carried unanimously.

### **2017 TAX RATE RECOMMENDATION**

The Board next considered the Financial Advisor’s recommendation concerning the establishment of the District’s 2017 tax rate. Mr. Arterburn reported that the District’s current certified value is approximately \$100,000,000 lower than last year but that there is a lot of personal property which has not yet been certified by the Harris County Appraisal District. He stated that he would like to see how much value is added by the supplemental rolls within the next month prior to the District publishing a proposed tax rate, and he recommended that the Board defer the discussion on the District’s 2017 tax rate until next month’s meeting.

Mr. Arterburn exited the meeting at this time.

### **DISASTER RECOVERY EFFORTS**

The Board next discussed disaster recovery efforts related to the recent flooding caused by Hurricane Harvey. Mr. Thiry reported that the main breaker at the water plant was damaged due to two (2’) feet of water entering the control building. He stated that NTS replaced the main breaker at a cost of \$17,000. Mr. Thiry stated that it has not been determined whether water damaged the booster pump motors but noted that EDP will investigate same.

The Board next discussed the damage to the wastewater treatment plant. Mr. Thiry reported that the WWTP was inundated by approximately five (5') feet of water and all equipment was submerged. He stated that all of the drywall in the building needs to be replaced. He next reported that the generator was completely submerged in water and that since it is approximately twenty-five (25) years old, it would likely be a good idea to replace the generator rather than repair it. He stated that Generator Solutions examined the generator and estimated that it would cost approximately \$6,000 to \$7000 to attempt to start the generator and diagnose the problem and that the control panel would need to be replaced in order to begin the diagnostics. Mr. Eby stated that he believes the generator needs to be raised to a higher elevation and recommended renting a temporary generator until the replacement project is complete. Mr. Thiry stated that he would obtain pricing for a temporary generator. The Board next discussed whether or not insurance would cover the costs associated with the generator and Mr. Eby noted that in previous flood events, insurance has covered most equipment costs and that additional financial assistance has been provided by the Federal Emergency Management Agency ("FEMA"). Mr. Thiry stated that EDP would coordinate submission of an insurance claim and a claim to FEMA relative to the generator and other equipment damaged during the flooding. After discussion on the matter, Director Theriot moved to approve the rental of a temporary generator until the replacement project is complete, subject to receipt of the TEC Form 1295 in connection with the rental, and to authorize the President to execute same, on behalf of the Board and the District. Director Rhodes seconded the motion, which carried unanimously.

Mr. Thiry reported that four (4) blowers at the wastewater treatment plant were submerged and that he recommends pulling the blowers and motors and rebuilding each one. He stated that the flow meter and chart recorder have already been replaced, the control panels need rehabilitation or replacement and the automatic dialing system needs replacement.

Mr. Thiry reported that lift station nos. 1 and 2 did not sustain any damage and that lift station no. 3 would need a new controller. He stated that the lift pumps had excessive run times during the adverse conditions and that EDP would pull several of the pumps and inspect them to determine the condition of the remaining pumps. Mr. Thiry stated that EDP would prioritize the District's facility needs and work on each accordingly.

## **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit C**).

Mr. Thiry next reported on recommended repairs to the Water Plant. He presented and reviewed a proposal from Alvin Contracting for the installation of a storage tank and gas stripper ladder security hatches, in an amount not to exceed \$2,025.00. After discussion, the Board deferred taking any action on the matter until a TEC Form 1295 has been received for the project.

Mr. Thiry next reported on recommended repairs to the Wastewater Treatment Plant. He presented and reviewed a proposal from Alvin Contracting for the installation of additional staircases and rails for safety, in an amount not to exceed \$6,975. After discussion, the Board deferred taking any action on the matter until a TEC Form 1295 has been received for the project.

Mr. Thiry reported that EDP would be inspecting all of the electrical equipment that sustained damage during the flooding to determine whether repair is needed and an insurance claim needs to be filed.

After discussion, Director Rhodes made a motion to approve the Operations and Maintenance Report, as presented. Director Garner seconded the motion, which carried unanimously.

## **ENGINEERING REPORT**

The Board next considered the Engineering Report (**Exhibit D**).

Mr. Eby reported on the status of the contract with T Construction, LLC ("T Con") for the water and sanitary sewer facilities to serve the Lone Star Science Building. He reported that the project is complete and presented Pay Application No. 2 and Final in the amount of \$10,102.24. After discussion, Director Rhodes made a motion to approve Pay Application No. 2 and Final as outlined above. Director Garner seconded the motion, which carried unanimously.

Mr. Eby next reported on the status of the contract with W.W. Payton Corporation ("Payton") for the generator installation at the District's two lift stations. He stated that Payton will be pouring the foundation soon for the generator at the Chasewood Lift Station. He stated that the delivery time prior to the flooding was approximately a month but there may be a delay now.

Mr. Eby next reported on the status of the lift station rehabilitation project. He stated that CenterPoint has proposed a new design layout for the electrical service line and meter and that he is in agreement with the proposed layout. Mr. Eby stated that once he knows the timing for the installation of the CenterPoint meter, he will bid the project.

The Board next discussed installing warning signs in certain areas of the hike and bike trails that were damaged during the flooding. After discussion, the Board concurred to install warning signs in certain areas of the trails damaged during the flooding.

Mr. Eby next reviewed a quote from Brian Gardens for repairs to the park property and trails that were damaged during the flooding. The Board concurred to make certain repairs as reflected on the revised quote attached to **Exhibit D**. Mr. Eby stated that he would obtain alternate pricing for repair of the cedar split rail fence.

The Board next discussed the annual Water Conservation Meeting which will take place in conjunction with National Night Out on October 3, 2017, at 6:00 p.m. and whether the park would be suitable to hold the meeting. After discussion, the Board concurred not to hold the Water Conservation Meeting this year due to the flood damage to the park.

Mr. Eby reported regarding the repair of the back-pressure gas regulator and monthly inspection and maintenance of the flare by Patriot Production ("Patriot"). He stated that Patriot would perform the repair and begin the inspection next month.

Mr. Eby next reported regarding televising the storm sewer lines and stated that he is not sure whether the contractor has begun work on the project. He stated that the contractor may be unable to get in to start the project because of the storm debris. Mr. Eby stated that he would contact the contractor to discuss the status of the project. He also reported regarding the preparation of plans to enlarge the inlets and stated that several inlets cannot be enlarged due to a water line nearby but that he is working on an alternate solution. Director Rhodes asked Mr. Eby about the costs associated with moving the water line to which Mr. Eby responded that it would be very expensive.

Mr. Eby next reported that the District's discharge permit renewal application was declared administratively complete on August 24, 2017. Ms. Richardson stated that MRPC would handle publishing notice of the permit renewal.

After discussion, Director Garner made a motion to approve the Engineering Report. Director Rhodes seconded the motion, which carried unanimously.

### **FACILITIES INSPECTION REPORT**

The Board next deferred consideration of a discussion related to the Facilities Inspection Report.

### **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit E**), including the checks presented for payment. Director Geaslen requested that the lone star expenses be separated out into different line items. After discussion, Director Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Garner seconded the motion, which carried unanimously.

### **ADOPTION OF BUDGET**

The Board next considered adoption of the operating budget for the fiscal year ending September 30, 2018 (**Exhibit F**). After discussion, Director Rhodes made a motion to approve the budget, as presented. Director Theriot seconded the motion, which carried unanimously.

### **WATER SUPPLY CONTRACT**

The Board next considered approval of a Water Supply Contract by and between the District and SIR NE Houston, LLC ("SIR"). Ms. Richardson stated that she has not yet received the executed Water Supply Contract back.

### **REQUEST FROM GHORBA**

The Board next considered a request from the Greater Houston Off-Road Biking Association ("GHORBA") regarding trail maintenance. Ms. Richardson reported that she had various communications with Harris County Flood Control District ("HCFCD") earlier in the month regarding potentially adding additional trails to the District's existing Interlocal Agreement with

HCFCF and recently sent another email to HCFCF regarding the District's maintenance obligations and has not received a response. The Board then discussed the condition of the hike and bike trails following the flooding.

**WATER CONSERVATION MEETING**

The Board next noted that the Water Conservation Meeting had been previously discussed in the meeting.

**ITEMS FOR FUTURE AGENDAS**

The Board next considered matters for possible placement on future agendas. After discussion, the Board asked that MRPC confirm the conference room at the Hilton Garden Inn for next month's meeting on Monday, October 2, 2017.

**ADJOURNMENT OF BOARD MEETING**

There being no further business to come before the meeting, it was adjourned.

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

August 7, 2017

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report
- Exhibit C. Operations and Maintenance Report
- Exhibit D. Engineering Report
- Exhibit E. Bookkeeping Report
- Exhibit F. Proposed 2018 Operating Budget